

4 JUN 1975

Mr. James F. Steele, Jr.
Regional Commissioner
Public Buildings Service
General Services Administration
Washington, D. C. 20405

Dear Mr. Steele:

A copy of your letter to Area and Building Managers (copy enclosed) regarding Overtime Service Rates has been sent to this Division. As this letter is interpreted, it will cause a significant increase in FY-76 General Services Administration (GSA) charges to this Agency for after-hours utility services to support essential, 24-hour operations. While fully recognizing GSA's increased costs for labor and utilities, it must also be recognized that the Agency's FY-76 budget for facilities maintenance and operation expenses was submitted for approval at least a year prior to this date. The Agency's FY-76 allocation reflects this year-old estimate. In sum, the Agency has not been allocated sufficient monies to meet the formalized, estimated costs for after-hours operations as projected by GSA.

Under these circumstances, Central Intelligence Agency (CIA) cannot concur in charges derived by general formula, but must insist on a computation of direct charges as actually incurred by after-hours operation. To the extent possible, CIA will either reimburse GSA or curtail less essential operations to meet actual expenses incurred.

It is believed that existing utilities metering systems and manpower allocation systems are sufficient to accurately establish direct CIA after-hours operating costs. Accordingly, CIA facilities managers will coordinate with GSA Field Office Managers to determine an actual, accurate cost of CIA facilities operations.

If the interpretation of the enclosed letter is incorrect or if other pertinent facts apply, please contact me on [redacted]. Additionally, it should be noted that if GSA intends to significantly alter services charges for FY-77 or subsequent fiscal years, this information should be submitted to the Agency immediately in order to permit presentation to the Office of Management and Budget before annual allocations are established.

Sincerely,

[redacted]

CHTAT

Real Estate and Construction Division, OL

Enclosure

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